



State Board of Equalization

News Release

Judy Chu, Ph.D.
Chair

4th District – Los Angeles

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Judy Chu: 3rd Quarter 2008 Gas Use Declined 6.1%; Diesel Use Dropped 10.4%

Tenth Consecutive Quarter Drop in California Gasoline Consumption

Judy Chu, Ph.D., Chair of the California State Board of Equalization (BOE), today released gasoline and diesel consumption figures for September and complete figures for the third quarter of 2008.

The third quarter of 2008 marks the tenth consecutive three-month period to show less gas consumption. In the third quarter of 2008, Californians used 242.6 million gallons less than the third quarter last year, which is a decline of 6.1 percent.

(Editor's note – please see the attached chart showing year over year quarterly gasoline consumption comparison for the last ten consecutive quarters from 2006 through the third quarter of 2008).

Comparing monthly gasoline consumption over the same month a year earlier, gasoline consumption declined by 4.3 percent in September 2008 from September last year. Californians consumed a total of 1.22 billion gallons of gasoline in September, which is 54.6 million gallons below the same month a year ago. The average California gasoline price at the pump in September was \$3.84 per gallon, a 31.5 percent change from the average price the same month last year when it was \$2.92.

Diesel consumption in California declined 10.4 percent in the third quarter of 2008 from the third quarter last year. A total of 731.5 million gallons of diesel fuel was sold in the third quarter of 2008, which is 84.7 million gallons less than the third quarter last year.

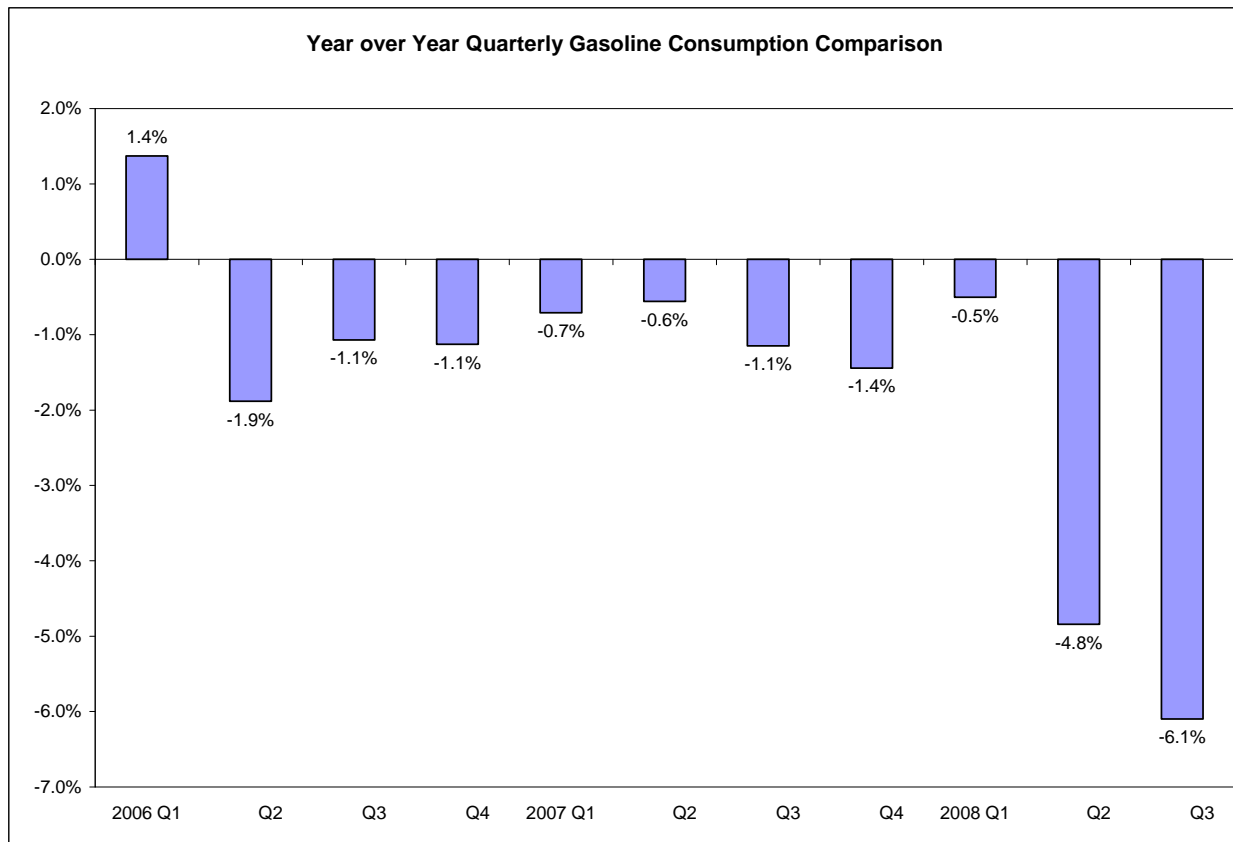
Diesel fuel sold for use on California roads in September 2008 declined 8.8 percent over September 2007; the total used was 254.4 million gallons, which is 24.6 million gallons below the year before. The decreased diesel consumption reflects both the impacts of higher diesel prices of \$4.09 in September 2008 and the slowing economy that is associated with less freight movement on California roads and highways. California diesel prices were up 35.4 percent in September 2008 compared to September 2007 when the average diesel price was \$3.02.

All monthly, quarterly, and annual motor vehicle fuel and diesel fuel figures and reports can be viewed on the BOE Fuel Taxes website at: www.boe.ca.gov/sptaxprog/spftrpts.htm.

Taxable Gasoline Gallons Report: www.boe.ca.gov/sptaxprog/reports/MVF_10_Year_Report.pdf

Taxable Diesel Gallons Report: www.boe.ca.gov/sptaxprog/reports/Diesel_10_Year_Report.pdf

The BOE is able to monitor gallons through tax receipts paid by fuel distributors. Figures for October 2008 are scheduled to be available near the end of January 2009.



Chair Judy Chu represents the Fourth Board of Equalization District, which includes Los Angeles County. She won election to the BOE in November 2006 and was elected Chair of the Board of Equalization in January 2008. Chair Judy Chu is also a voting member of the Franchise Tax Board.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

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